

**Appendix 1 to
Sixth Amendment of
Master Services Agreement**

DIR-ESS-MSI-407
April 20, 2020

State of Texas
Department of Information Resources



Exhibit 1.1

Definitions

Multi-Sourcing Services Integrator
DIR-ESS-MSI-407

April 20, 2020

Change Log			
CCR/CN	Amendment	Date	Description
CCR-000312	Amendment 2	8/24/2018	Added Open Data Portal (ODP) definition/acronym
CCR-000XXX	Amendment 6	4/20/2020	<ul style="list-style-type: none"> Updated “DIR Shared Services” definition/acronym to “DIR Shared Technology Services (STS)” Removed “Managed Application Services (MAS)” definition/acronym Added “Rough Order of Magnitude” definition/acronym Added “Security Operations (SecOps)” definition/acronym Added “Technology Solution Services (TSS)” definition/acronym

EXHIBIT 1.1
DEFINITIONS

When used in this Agreement with initial capital letters, the terms listed in this Exhibit shall have the meanings set forth herein.

Term	Definition
Acceptance Criteria	The criteria that Successful Respondent must confirm have been met prior to submitting a Deliverable for Acceptance by DIR or a DIR Customer. Acceptance Criteria include: (i) any mutually agreed written criteria identified as Acceptance Criteria, (ii) Compliance, (iii) for all Software and System deliverables that process data, such item successfully integrates with all other Services, Software, Equipment, Systems, and other resources and is fully documented such that the anticipated end user can utilize the functionality of such Deliverable in the manner and for the purpose intended and that reasonable knowledgeable professionals can understand, maintain, support, and modify such Deliverable in accordance with its intended use.
Acceptance or Accepted	The determination, in DIR or, if applicable, DIR Customer's reasonable discretion and in accordance with the relevant provisions of Exhibit 3.3 Critical Deliverables , confirmed in writing by DIR or the applicable DIR Customer, that Software, Equipment, Systems, and/or other Deliverables are in Compliance, in accordance with Section 4.6 of the Agreement and the Services Management Manual (SMM) or other criteria agreed to in writing by the Parties.
Acceptance Review Period	Has the meaning given in Section 4.8(b)(i) of the Agreement, provided that any provision of written notice alerting DIR that a Milestone Deliverable is complete and ready for review that is submitted outside a Business Day shall be considered to be submitted for the purpose of DIR internal review, on the Business Day immediately following the day on which such notice was submitted.
ACD	Automatic Call Distributor
Actual Uptime	Means, of the Critical Uptime, the aggregate number of minutes during which the applicable Service component defined in Exhibit 3.1 Service Level Matrix is Available.
ADC	Austin Data Center
Addendum	A modification of the Request for Offer (RFO) issued by the Department of Information Resources (DIR) and posted on the Electronic State Business Daily (ESBD).

Term	Definition
Affiliate	With respect to an Entity, any other Entity that directly or indirectly Controls, is Controlled by, or is under common Control with that Entity at the time in question.
Agreement (also Master Services Agreement and MSA)	<p>The final version of any contractually binding agreement between DIR and the Successful Respondent relating to the subject matter of the RFO; references to the Agreement include all Exhibits, Attachments and other documents attached thereto or incorporated therein by reference.</p> <p>Notwithstanding the foregoing, unless expressly provided or the context otherwise requires, references to the Agreement in conjunction with section or article references shall be deemed references to the body of the Agreement (that is, Articles 1 through 21).</p>
AIMS	Asset Inventory and Management System
Allocation of Pool Percentage	The portion of the respective Pool Percentage Available for Allocation that is specified for a Performance Category. The total of all Allocation of Pool Percentages shall not exceed the Pool Percentage Available for Allocation, as specified in Exhibit 3.1 Service Level Matrix .
Appliance	Means a specialized computing device with pre-integrated and pre-configured hardware and/or software packaged to provide a “turn-key” solution. The computing function in an Appliance, though configurable, is designed by the manufacturer to provide a specific function with little or no support. Computer appliances differ from general purpose computers such as an Application or Infrastructure Server in that they are not designed to be modified. Appliances may be physical or virtual and support a variety of functions.
Application Portfolio Management (APM)	Inventory of business applications and the resources support required as defined in Exhibit 2.1 Statement of Work .

Term	Definition
Applications	Means all software programs and programming (and all modifications, replacements, Upgrades, enhancements, documentation, materials, media, on-line help documentation and tools related thereto) that perform user or DIR Customer-related information processing functions or support day- to-day operations (including the supporting documentation, media, on- line help facilities, and tutorials), or otherwise used in the provision of Services by Service Provider. Applications Software shall include all such programs and programming in use or required to be used as of the Commencement Date, including those set forth in <u>Exhibit 11</u> to the Agreement, those as to which the license, maintenance, or support costs are included in the Financial Base Case, and those as to which Service Provider received reasonable notice and/or access prior to the Commencement Date. Applications Software also shall include all such programs and programming developed and/or introduced by or for DIR, any DIR Customer or Service Provider during the Term. Applications Software does not include the tools, utilities, or Operating Software or Systems Software used to deliver Applications Software.
API	Application Program Interface
Assistance Event	(i) any termination (in whole or in part) under, or the expiration of, the Agreement, or (ii) the discontinuance of the provision of the Services (in whole or in part) in respect of any DIR Customer.
At-Risk Amount	For any month during the Term, the percent of the Service Level Invoice Amount, which is the maximum amount that the Service Provider will have at risk for Service Level Credits as set forth in <u>Exhibit 3.1</u> . Each Service Component will have its own At-Risk Amount tied to the corresponding portion of the Service Level Invoice Amount.
Authorized User(s)	Unless otherwise indicated, the officers, directors, employees, contractors, agents, customers, and vendors of DIR or any DIR Customer and any other person(s) designated by DIR or any DIR Customer to receive or use the Systems or Services provided by Successful Respondent.
Availability Management	Means the evaluation, design, implementation, measurement and management of the IT Infrastructure Availability from a component and an end-to-end perspective (e.g., Services), including new or modified IT service management methodologies and tools, as well as technology modifications or upgrades of IT infrastructure systems and components.

Term	Definition
Availability or Available	The period for which the full functionality of a Service Component is ready for use by Authorized Users and is not degraded in any material respect.
BIA	Business Impact Analysis
Business Continuity Services	Means the overall enterprise plans and specific activities of each DIR Customer and/or Successful Respondent that are intended to enable continued business operations in the event of any unforeseen interruption (e.g. plans and activities to move a department to a new location in the event of a disruption).
Business Day	<p>Means each day from Monday through Friday, excluding State holidays, 7:00 a.m. to 5:00 p.m. local time. State holidays will include all holidays with the status “All Agencies closed.” State holidays will not include State optional holidays or holidays that require skeleton crews.</p> <p>For SLAs related to outbound mail Services, Business Day means each day from Monday through Friday, excluding US postal holidays, 7:00 a.m. to 5:00 p.m. local time.</p> <p>For SLA reporting purposes, the hours listed in Exhibit 3.2 Service Level Definitions would override the 7:00 a.m. to 5:00 p.m.</p>
Call	A contact (including by telephone, voicemail, electronic mail, fax, automated tool or web request) to Successful Respondent reporting a problem, requesting assistance or Services, or asking a question pertaining to the Services, as well as automated alerts and other problem and Service notifications communicated to Successful Respondent.
Capacity Management	Means the processes responsible for ensuring that the elements that collectively make up the Service can deliver the identified capacity in a cost effective and timely manner.
Change Advisory Board (CAB)	The representative group that is responsible for assessing from both a business and technical viewpoint all high impact request for Change.
Change Control Procedures	The procedures defined in the approved Service Management Manual; these procedures must contain a procedure that allows DIR to exercise the approval rights in Section 9.5 of the Agreement.

Term	Definition
Change Management or Change Management Process	The processes relating to planning and performing all Changes in DIR Customer's IT environment pertaining to the Services, including Changes to individual components and coordination of Changes across all components. The Change Management Processes will support and include checkpoints to determine any potential or required Change Control Procedures.
Change(s)	<p>Any addition, modification, alteration, or deletion to (i) any installed and supported IT Equipment or Software components or (ii) the policies, procedures, or documentation on how Services are performed. This includes all production, test, and development system Equipment and Software, any management and support tools and utilities deployed in the IT environment, all associated documentation, as well as the methodologies used to manage and support delivery of the Services.</p> <p>Changes may arise reactively in response to incidents/problems or externally imposed requirements (e.g., legislative Changes), or proactively from attempts to (a) seek greater efficiency or effectiveness in the provision or delivery of Services; (b) reflect business initiatives; or (c) implement programs, Projects or Service improvement initiatives.</p> <p>Changes must be approved by DIR or designated DCS customer, through the Change Management process, prior to implementation.</p>
Chargeback System	The system for Chargeback and Utilization Tracking.
Charges	The fees as defined in Exhibit 4.0 Business Model .
Checkpoints	Meetings held with Successful Respondent and DIR to review the development progress related to Transition Milestones where formal meeting minutes and any associated documents are transmitted to DIR as an operational record.
CJIS	Criminal Justice Information System
CMDB	Configuration Management Database
CMIS	Change Management Information System
CMS	Configuration Management System
Commencement Date	The date the Parties agree upon, in writing, as the date on which Successful Respondent begins providing the Services to the first DIR Customer.
Commercial Off-The-Shelf (COTS)	Services, Equipment, and/or Software, as applicable, that is readily available to the public from a Third Party that is not an Affiliate of a Party.

Term	Definition
Compliance (also Comply)	With respect to Deliverables, fulfilling the requirements of the Specifications, the Acceptance Criteria, the Agreement, and all other applicable operational and/or functional requirements.
Confidential Information	(i) All information marked confidential, restricted, or proprietary by either Party and (ii) any other information that is treated as confidential by the disclosing Party and would reasonably be understood to be confidential, whether or not so marked.
Configuration Item (CI)	Any component part of Services that is (or is to be) under the control of Configuration Management and therefore subject to formal Change Control.
Configuration Management	The process of identifying and defining the functional and physical characteristics of any Equipment or Software in the Service recipient environment, controlling any modifications to any Configuration Item (CI) characteristics throughout their life cycle, tracking, recording, and updating any CMDB as a result of any Changes, and reporting on the status of and verifying the completeness, accuracy, and currency of CI data.
Configuration Management Database (CMDB)	A System that contains details regarding the Software, Equipment, and Systems that are used in the provision and management of Services, including information that relates to the maintenance, movement and problems experienced with such Software, Equipment, and Systems.
Consolidated Data Center(s)	The centralized Data Center(s) used by Data Center Services (DCS) Service Providers to provide infrastructure services, specifically the Austin Data Center (ADC) and the San Angelo Data Center (SDC).
Consolidation Measurement Report	Report required pursuant to Texas Government Code, Section 2054.062
Constituent (also Constituent User)	An individual of the general public or a business with cause to use Texas.gov Services.
Constituent Help Desk	The single point of contact for citizens of the State regarding Incidents, requests and questions relating to State provided services (i.e., Texas.Gov). The citizens contacting this help desk are referred to as Constituents or Constituent Users.
Contract	Any contract resulting from this procurement/RFO, consisting of the contract document(s) as described in RFO Section 2.3 Form of Contract and the Master Services Agreement (MSA).

Term	Definition
Contract Performance Incentive (CPI)	The Successful Respondent's proposed initiatives to create value in areas that are not already identified and required in the Agreement. Contract Performance Incentives are outcome-based performance incentives that are designed to reward innovation investments that create value that is shared between the Successful Respondent and the State.
Contract Records	The complete and accurate records of, and supporting documentation for, all Charges, all DIR Data and all transactions, authorizations, changes, implementations, soft document accesses, reports, filings, returns, analyses, procedures, controls, records, data or information created, generated, collected, processed, or stored by Successful Respondent in the performance of its obligations under this Agreement.
Contract Year	Each twelve (12) month period commencing each September and ending each August during the Term. If any Contract Year is less than twelve (12) months ("Stub Period"), the rights and obligations under this Agreement that are calculated on a Contract Year basis will be proportionately adjusted for such shorter period.
Control (also Controlled, Controlling)	(a) The legal, beneficial, or equitable ownership, directly or indirectly, of (i) at least fifty percent (50%) of the aggregate of all voting equity interests in an Entity, or (ii) equity interests having the right to at least fifty percent (50%) of the profits of an Entity or, in the event of dissolution, to at least fifty percent (50%) of the assets of an Entity; (b) the right to appoint, directly or indirectly, a majority of the board of directors; (c) the right to Control, directly or indirectly, the management or direction of the Entity by contract or corporate governance document; or (d) in the case of a partnership, the holding by an Entity (or one (1) of its Affiliates) of the position of sole general partner.
Control Deficiency	An SSAE 18 SOC 2 Audit report which shows a control issue that is specific to DIR or that impacts in any material respect the control environment under this Agreement.
Crisis	Any situation that is threatening or could threaten to harm people or property, seriously interrupt business, significantly damage reputation and/or negatively impact the bottom line.
Critical Deliverables	The One-Time Deliverables and Recurring Deliverables that have associated Deliverable Credits payable to DIR in the event Successful Respondent fails to successfully and timely complete such Deliverables as identified in Exhibit 3.3 Critical Deliverables .

Term	Definition
Critical Services Levels	Means any Service Level designated as "critical" by DIR, and with respect to which DIR may become entitled to receive Service Level Credits as a result of Service Provider's failure to satisfy the associated Service Level standards.
Critical Uptime	The aggregate number of minutes in the specified period(s) in the applicable Measurement Window during which a defined Service component is required to be Available. Unless otherwise specified in the Agreement, the Service Management Manual, or the CMDB, Critical Uptime equals the total number of minutes in the Measurement Window. A defined Service component is not required to be Available during Scheduled Downtime.
CRM	Customer Relationship Management
Cross-Functional Services	Those Services performed in connection with performing, and in support of, each of the Services.
CSP	Cloud Service Provider
CSS	Cascading Style Sheet
Data Center Services (DCS)	A Shared Service within the Statewide Technology Centers. The DCS consists of five Service Components Mainframe, Server, Network, Data Center Operations, and Print-Mail).
Deliverable	May include all Materials, processes, inventions, Work Products, and information that Successful Respondent develops for or on behalf of DIR or DIR Customer, in whole or in part, solely or jointly with others, including all intermediate and partial versions thereof in whatever medium fixed or embodied, and any and all documentation relating thereto, including any code (including source and object), scripts, APIs, interfaces, menus, structures, operational instructions, text, graphics, animation, audio or digital video components, specifications, data, reports, schematics, research, configurations, flow charts, knowledge bases, notes, outlines, formulae, training materials, documentation, manuals, processes, algorithms and the like created in connection therewith, whether or not protected by copyright, patent, trademark law, or any similar intellectual property law and all materials developed or created by Successful Respondent for DIR under Statements of Work.
Deliverable Credits	A credit tendered to DIR by the Successful Respondent for failure to meet its obligations with respect to such Critical Deliverables; see also MSA Section 7.2(b).

Term	Definition
Derivative Work(s)	Work based on one (1) or more preexisting works, including a condensation, transformation, translation, modification, expansion, or adaptation, that, if prepared without authorization of the owner of the copyright of such preexisting work, would constitute a copyright infringement under applicable Laws, but excluding the preexisting work.
Designated DIR Representative	One (1) individual designated by DIR to whom all Successful Respondent communications concerning this Agreement may be addressed
Developed Material(s)	Any new Materials or any modifications, enhancements, improvements, Upgrades or Derivative Works of such Materials that are developed pursuant to the Agreement and paid for by DIR or any DIR Customer under the Agreement. Developed Materials does not include any underlying Successful Respondent or Third Party Owned Materials.
Development and Testing	A software development process that involves synchronized application of a broad spectrum of defect prevention and detection strategies in order to reduce software development risks, time, and costs.
Development and Testing Environment	A setting in which the software development and testing/test process takes place.
Development or Development Environment	The Systems environment in which Software and databases are initially designed and created. DIR Customers may have more than one Development Environment.
Development Tool	All software programs and programming (and all modifications, replacements, Upgrades, enhancements, documentation, materials, and media related thereto) that are used in the development, testing, deployment, and maintenance of Software. Development Tools shall include all such programs and programming in use or required to be used as of the Commencement Date. Development Tools also shall include all such programs and programming developed and/or introduced by or for DIR, any DIR Customer or Service Provider during the Term.
DIR	Department of Information Resources.

Term	Definition
DIR Auditors	<p>DIR and DIR Customers (and internal and external auditors, inspectors, regulators, and other representatives that DIR or DIR Customers may designate from time to time, including customers, vendors, licensees, and other third parties to the extent DIR or the DIR Customers are legally or contractually obligated to submit to audits by such Entities), and the State Auditor's Office and any successor governmental authorities.</p>
DIR Customer (also Customer)	<p>Collectively, any of the following Entities that are designated by DIR to receive Services under the Agreement, whether directly from any Service Provider or from DIR through an Interagency, Interlocal, or other agreement:</p> <ul style="list-style-type: none"> a) DIR in its capacity as a recipient of Services; b) any State agency, unit of local government or institution of higher education as defined in Section 2054.003, Texas Government Code, and those State agencies that execute Interagency Agreements with DIR, as authorized by Chapter 771, Texas Government Code; c) any Texas local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code; d) any other state or governmental Entity of another state, as authorized by Section 2054.0565, Texas Government Code; e) any other Entity permitted under Law to purchase Services from or through DIR; and f) other Entities to which the Parties agree. <p>The Parties acknowledge and agree that the definition of eligible DIR Customers is subject to modification by the State Legislature, and that the then-current definition of DIR Customers shall control for all purposes.</p>

Term	Definition
DIR Data	<p>Any data or information of or regarding DIR or any DIR Customer that is provided to or obtained by Successful Respondent in connection with the negotiation and execution of the Agreement or the performance of Successful Respondent's obligations under the Agreement, including data and information with respect to the constituency, customer, operations, facilities, products, rates, regulatory compliance, competitors, assets, expenditures, mergers, acquisitions, divestitures, billings, collections, revenues and finances of DIR or any DIR Customer. DIR Data also means any data or information (i) created, generated, collected or processed by Successful Respondent in the performance of its obligations under the Agreement, including data processing input and output, service level measurements, asset information, Reports, third party service and product agreements, contract charges, and retained expense and Pass-Through Expenses, or (ii) that resides in or is accessed through Software, Equipment or Systems provided, operated, supported, or used by Successful Respondent in connection with the Services, as well as information derived from this data and information, but excluding the following information to the extent not required to be provided or otherwise made available to DIR under this Agreement, including with in connection with DIR's rights related to Benchmarking, Subcontractors, auditing, Reports, or Termination Assistance Services: (A) financial/accounting information (including costs, expenditures, billings collections, revenues and finances) of Successful Respondent, its Affiliates or Subcontractors; (B) information created by Successful Respondent to measure the productivity and efficiency of the Services and/or to improve the processes and procedures used by in the performance of the Services; (C) human resources and personnel information of Successful Respondent, its Affiliates or Subcontractors; and (iv) information with respect to Third Party Contracts or licenses of Successful Respondent, its Affiliates or Subcontractors and used in the performance of the Services. Data or information constituting DIR Data shall not constitute Successful Respondent Confidential Information.</p>
DIR Facility(ies)	<p>The facilities that are provided by DIR or a DIR Customer for use by Successful Respondent to the extent necessary to provide the Services as well as those DIR, DIR Customer, and DIR Contractor locations at or to which Successful Respondent is to provide the Services. DIR Facilities include the Non-Consolidated Service Locations and the Consolidated Data Centers.</p>
DIR Initiated Financial Dispute	<p>A dispute, initiated by DIR in accordance with the Service Management Manual, related to a Monthly Invoice.</p>

Term	Definition
DIR Laws	Any Laws, other than Successful Respondent Laws, applicable to DIR, including those specific to DIR's business that are supported by Successful Respondent under this Agreement
DIR Owned Materials	(i) all Materials and other intellectual property owned by DIR or any DIR Customer as of the Effective Date, (ii) all Materials and other intellectual property acquired by DIR or any DIR Customer on or after the Effective Date, and (iii) certain Developed Materials as provided in Section 14.2 of the Agreement.
DIR Personal Data	That portion of DIR Data that is subject to any Privacy Laws and includes, but is not limited to, information which any DIR Customer discloses that consists of personal Confidential Information or identifies any consumer served by the Texas Health and Human Services Commission or constituent agencies, in accordance with applicable federal and state laws and other applicable rules, including but not limited to the Texas Health and Safety Code and 25 Texas Administrative Code, Chapter 414.
DIR Rates	The rates included in Exhibit 4.0 Business Model ; these rates will be charged to each DIR Customer for the Services, which include the Charges plus a DIR cost recovery component as authorized in Chapter 2054.380, Texas Government Code.
DIR Rules	All DIR and DIR Customer policies, rules, and regulations applicable at or to DIR Facilities or the provision of the Services which have been communicated to Successful Respondent or Successful Respondent Personnel in advance in writing (which may include email communications and notices of information contained on web sites or conspicuously posted at DIR Facilities to the extent consistent with the way in which DIR or the DIR Customers disseminate such information to their own employees) or by such means as are generally used by DIR or DIR Customers to disseminate such information to its employees or contractors and those applicable to specific DIR Facilities.
DIR Security Policies	The policies established by DIR to support an information resources security function.
DIR Shared Technology Services (STS)	Managed service contracted by DIR and offered to DIR Customers that consolidates business operations and leverages Services across all Customers while providing enterprise Service Levels to ensure quality of service. DIR Shared Technology Services (STS) include, but are not limited to: Data Center Services, Managed Applications Services, Managed Security Services, Texas.gov, and Cross-Functional Services through a Multi-Sourcing Service Integrator.

Term	Definition
DIR Standard(s)	(A) The standards, policies, practices, processes, procedures and controls to be adhered to and enforced by Successful Respondent in the performance of the Services, including those identified on Exhibit 2.0 Service Model , and (B) the associated IT technologies architectures, standards, products and systems to be provided, operated, managed, supported and/or used by Successful Respondent in connection therewith.
Devices	A Device is a network security appliance or computer system transacting customer business, including mobile or handheld information technology, such as desktop computers, laptop computers, tablet computers. Device does NOT include peripheral devices such as disk drives, printers, mice, or modems
Disaster	(1) a sudden, unplanned calamitous event causing great damage or loss; (2) any event that creates an inability on an organizations part to provide critical business functions for some predetermined period of time; (3) in the business environment, any event that creates an inability on an organization's part to provide the critical business functions for some predetermined period of time; (4) the period when company management decides to divert from normal production responses (in total or in part) and exercises its disaster recovery plan; and (5) typically signifies the beginning of a move from a primary to an alternate location.
Disaster Recovery (DR) Services	The process of following specific advance arrangements and procedures in response to a disaster, resumption of the critical business functions within a predetermined period of time, minimizing the amount of loss, and repairing or replacing the damaged facilities as soon as possible. Disaster Recovery Services include support and coordination with the Business Continuity Services.
Disaster Recovery as a Service (DRaaS)	A specific service offering that provides Disaster Recovery Services to DIR Customers who do not have fully managed services provided through the Data Center Services program. Disaster Recovery as a Service allows non-Data Center Services Customers to test and restore their non-Data Center Services server instances in the State of Texas Consolidated Data Centers (CDCs) virtualized infrastructure.
Disaster Recovery Plan (DRP)	The plan to execute Disaster Recovery Services.
Disaster Recovery Test	The test of the Disaster Recovery Plan

Term	Definition
Document Repository	A repository to store and manage all DIR Shared Services documentation, including the Service Management Manuals, knowledge bases of Services, known errors and workarounds, training content, Frequently Asked Questions, and similar documentation for the Successful Respondent's organization as well as from other Service Component Providers as specified by DIR
DQM	Data Quality Management
Earnback	The methodology used to determine the potential return of a Service Level Credit as described in Exhibit 3.0 Performance Model .
Effective Date	The date on which the last signature is assigned to the Agreement.
EIR	Electronic and Information Resources
Electronic PHI or ePHI	Electronic Protected Health Information
End Date	The End of the Agreement per Section 3 of the Agreement.
Entity(ies)	A governmental body, agency, unit, or division (including those categories described in the definition of DIR Customer), corporation, partnership, joint venture, trust, limited liability company, limited liability partnership, association, or other organization or entity.
Equipment	Means the computer, telecommunications, and facility-related hardware, equipment, and peripherals (and all modifications, replacements, Upgrades, enhancements, documentation, materials, and media related thereto) that are used in connection with the Services by Successful Respondent.
ESBD	Electronic State Business Daily
Expected Service Level	The desired level of performance for a Critical Service Level or Key Service Level, as set forth in Exhibit 3.1 Service Level Matrix .
Expected Service Level Default	Successful Respondent's level of performance for a particular Critical Service Level fails to meet the applicable Expected Service Level (but does not fail to meet the applicable Minimum Service Level), as specified in Exhibit 3.0 Performance Model and its Exhibits, and has failed to meet such Expected Service Level for four (4) or more occurrences in any rolling twelve (12) month period.

Term	Definition
Extraordinary Event	<p>A circumstance in which an event or discrete set of events has occurred or is planned with respect to the operations of DIR or the DIR Customers that results or shall result in a change in the scope, nature or volume of the Services that DIR or the DIR Customers shall require from Successful Respondent. Examples of the kinds of events that might cause such substantial increases or decreases include the following:</p> <ul style="list-style-type: none"> (i) changes in locations where the DIR Customers operate; (ii) changes in constituencies served by, or activities or operations of, the DIR Customers; (iii) privatizations, dispositions, or reorganizations of the DIR Customers; (iv) changes in the method of service delivery; (v) changes in the applicable regulatory environment or applicable Laws; (vi) changes in DIR's or a DIR Customer's policy, technology or processes.
FAQ(s)	Frequently Asked Question(s)
Federal Tax Information (FTI)	Any Federal tax information, including without limitation, and tax return-derived information received from the IRS.
FERPA	Family Educational Rights and Privacy Act
FIPS	Federal Information Processing Standards
Fixed Fees	A set amount paid for work or a service and is independent of a time and effort required to produce the identified deliverable.
Full Time Equivalent (FTE)	A level of effort, excluding vacation, holidays, training, administrative and other non-productive time (but including a reasonable amount of additional work outside normal business hours), equivalent to that which would be provided by one person working full time for one year. Unless otherwise agreed, one FTE is assumed to be 1,920 productive hours per year. Without DIR's prior written approval, one dedicated individual's total work effort cannot amount to more than one FTE.
Functional Service Area	Means any subset or grouping of the MSI Services and Service Component (or any portion or combination thereof).
GIS	Geographic Information System
GRC	Governance, Risk, and Compliance
HCS	Hybrid Cloud Services

Term	Definition
HSC	Hardware Service Charge
Help Desk	The facilities, associated technologies, and fully trained DIR Customer staff who respond to calls, coordinate all problem and request management activities, and act as a single point of contact for end users.
HIPAA	Health Insurance Portability and Accountability Act
HIPAA Privacy Rule	The national standards protecting individuals' medical records and other personal health information and applies to health plans, health care clearinghouses, and those health care providers that conduct certain health care transactions electronically. The Rule requires appropriate safeguards to protect the privacy of personal health information, and sets limits and conditions on the uses and disclosures that may be made of such information without patient authorization. The Rule also gives patients rights over their health information, including rights to examine and obtain a copy of their health records, and to request corrections.
HIPAA Security Rule	The national standard protecting individuals' electronic personal health information that is created, received, used, or maintained by a covered entity. The HIPAA Security Rule requires appropriate administrative, physical and technical safeguards to ensure the confidentiality, integrity, and security of electronic protected health information.
Historically Underutilized Business(es) (HUB)	Shall have the meaning given to such term by the Texas Comptroller of Public Accounts.
HSC	Hardware Services Charge(s).
HSP	Historically Underutilized Business (HUB) Subcontracting Plan
Hybrid Cloud Services (HCS)	Means Service delivery of Data Center Services within the Consolidated, Non-Consolidated and Cloud Service Provider locations.
IAC	Interagency Contract
IIRIRA	Illegal Immigration Reform and Immigrant Responsibility Act
ILC	Interlocal Contract
Incident	An event which is not part of the standard operation of a service and which causes or may cause disruption to or a reduction in the quality of services and DIR and/or DIR Customer productivity.

Term	Definition
Infrastructure (also IT Infrastructure)	The entire portfolio of Equipment, System Software, and Network components required for the integrated provision and operation of DIR and DIR Customer's IT systems and Applications.
Initial Term	The initial term of this Agreement shall commence as of 12:00:00 a.m., Central Time on the Effective Date and continue until 11:59:59 p.m., Central Time, on August 31, 2022, unless this Agreement is terminated earlier as provided herein, in which case the initial term of this Agreement shall end at 11:59:59 p.m., Central Time, on the effective date of such termination
In-Scope	Those Services or resources that are the subject of Successful Respondent's obligations under the Agreement.
Instance	Means one running OS kernel process that manages: (i) all of or a discrete subset of the Server's persistent storage (disk), volatile storage (memory), and central processing units; and (ii) a single list of processes (process table). Depending on the Server's configuration, one or more Instance may run on a single application physical Server. Instances in a clustered configuration shall be deemed to be discrete Instances, though each Instance within a cluster shall accommodate different tiers, depending on DIR requirements.
Integrated Test Lab (ITL)	The ITL enables DCS Customer DR testing on compatible equipment without affecting those environments that will be repurposed in the event of an actual disaster. The equipment in the ITL is not available at time of disaster as recovery equipment for DCS Customer Applications DR Target systems. The DR Target Systems are typically designated Test and/or Development systems that are repurposed in the event of a disaster to become Production systems.
IRS	Internal Revenue Service.
ISO	International Organization for Standards
IT Service Management (ITSM)	The entirety of activities – directed by policies, organized and structured in processes and supporting procedures — that are performed by an organization or part of an organization to plan, deliver, operate and control IT services offered to customers.
ITLC	Information Technology Leadership Council
ITSCM	Information Technology Service Continuity Management
IVR	Integrated Voice Response

Term	Definition
Key Service Levels	Those Service Levels for which no Service Level Credit is payable, as described in Exhibit 3.2 Service Level Definitions .
Key Performance Indicator (KPI)	A quantifiable measure used to evaluate the success of the Services and the effectiveness of achieving key business objectives.
Key Successful Respondent Personnel	Any Successful Respondent staff in a management or decision-making position regarding the Contract. Key Staff includes, at a minimum, the Contract/Engagement Manager and Project/Operational Manager.
Knowledge Database	A centralized repository for information
Known Error	A problem that has a documented root cause and a Workaround
Known Error Database	A database documenting all Known Errors within a System or Systems
LAN	Local Area Network
LAR	Legislative Appropriations Request
Laws	All federal, state and local laws, statutes, ordinances, regulations, rules, executive orders, circulars, opinions, interpretive letters and other official releases of or by any government, or any authority, department or agency thereof.
Legacy Applications	Application programs that operate with obsolete or inefficient hardware or software technology.
Legacy Data Center	Means the DIR Customer data centers located in Austin and Huntsville, Texas
Legacy Systems Study	A study commissioned by the 83rd Legislature (House Bill 2738) to evaluate the composition of the state's current technology landscape and determine how best to approach and make decisions about an aging technology infrastructure.
Level 1 Support	Support that is provided as the entry point for inquiries or problem reports from Authorized Users. If Level 1 personnel cannot resolve the inquiry or problem, the inquiry or problem is directed to the appropriate Level 2 personnel or a Third Party for resolution.

Term	Definition
Level 2 Support	Support that serves as a consolidation point for inquiries and problems between Level 1 and Level 3. For example, Level 2 Support might exist in a computer operations or a distribution/mail out center. If Level 2 personnel cannot resolve the inquiry or problem, the inquiry or problem is directed to the appropriate Level 3 personnel or a Third Party for resolution.
Level 3 Support	Support provided by the personnel or Third Party that is most knowledgeable about the underlying problem or question and that is utilized when efforts to resolve the problem or question by Level 1 and Level 2 Support have failed or are bypassed. Inquiries or problems are usually reported by Level 1 or Level 2 Support personnel, but may be initiated directly by Authorized Users or the Successful Respondent.
Losses	All losses, liabilities, damages (including punitive and exemplary damages), fines, penalties, settlements, judgments, interest and claims (including taxes), in each case that a court finally awards to a third party or which are otherwise included in the amount payable to a third party and all related costs and expenses (including reasonable legal fees and disbursements and costs of investigation, litigation, experts, settlement, judgment, interest and penalties), as incurred.
Mainframe	Means a Server that utilizes the current Operating Software (e.g. zOS, OS/390, VM, VSE, OS2200).
Maintainability	The characteristics of a Service that determines how easy or difficult it is to provide existing and potentially enhanced services.
Major Incident	The highest category of severity for an Incident. A Major Incident results in significant disruption to business operations.
Major Problem	A cause of one or more Major Incidents. The cause is not usually known at the time a Problem record is created, and the Problem Management Process is responsible for further investigation.
Major Release	A new version of Software that includes changes to the architecture and/or adds new features and functionality in addition to the original functional characteristics of the preceding Software release. These releases are usually identified by full integer changes in the numbering, such as from "7.0" to "8.0," but may be identified by the industry as a major release without the accompanying integer change.

Term	Definition
Malicious Code	(i) Any code, program, or sub-program whose knowing or intended purpose is to damage or interfere with the operation of the computer system containing the code, program or sub-program, or to halt, disable or interfere with the operation of the Software, code, program, or sub- program, itself, or (ii) any device, method, or token that permits any person to circumvent the normal security of the Software or the system containing the code.
Managed Security Services (MSS)	A Service that has three (3) primary Service Components (Security Monitoring and Device Management, Incident Response, and Risk and Compliance).
Master Services Agreement (MSA)	See “Agreement.”
Materials	All algorithms, APIs, apparatus, circuit designs and assemblies, databases and data collections, designs, diagrams, documentation, drawings, flow charts, formulae, ideas and inventions (whether or not patentable or reduced to practice), know-how, literary works or other works of authorship, materials, marketing and development plans, marks (including brand names, product names, logos, and slogans), methods, models, network configurations and architectures, procedures, processes, protocols, schematics, Software code (in any form including source code and executable or object code), specifications, subroutines, techniques, tools, uniform resource identifiers, user interfaces, web sites, works of authorship, and other forms of technology and intellectual property; and all modifications, replacements, upgrades, enhancements, improvements, methodologies, tools, documentation, materials and media related thereto.
Measurement Window	The time during, or frequency by, which a Service Level shall be measured. The Measurement Window will exclude approved scheduled maintenance.
Middleware	Software that facilitates interactions and integration between and among two (2) or more separate Software programs, Systems, or platforms.
Milestone Deliverable	Critical Deliverables and Transition Milestones.
Minimum Service Level	The minimum level of performance set forth in Exhibit 3.2 Service Level Definitions with respect to each Critical Service Level and Key Service Level.

Term	Definition
Minimum Service Level Default	The Successful Respondent's level of performance for a particular Critical Service Level fails to meet the applicable Minimum Service Level at any time.
Monthly Charges	The total Charges invoiced by Successful Respondent in any calendar month for Services (excluding Pass-Through Expenses, Out-of-Pocket Expenses and Service Taxes).
Monthly Invoice	An invoice Successful Respondent submits to DIR within ten (10) Business Days after the end of each month.
Monthly Invoice Amount	Charges due and owing for the preceding month as defined in Exhibit 4.0 Business Model and any other amounts payable by DIR to Successful Respondent pursuant to the express terms of the Agreement.
Monthly Productive Hours Worked	With respect to any month and any Service Provider Personnel, the number of productive hours worked by such Service Provider Personnel, excluding non-productive time (e.g., commuting time, vacation, holidays, training unrelated to the Services, education, marketing, administrative staff meetings, medical leave, and military leave).
Multi-sourcing Services Integrator (MSI)	The entity which has entered into a contract with DIR to provide MSI Services.
N/N-1	The version of Software designated and/or approved by DIR or the applicable governance committee, as the current standard for deployment. N-1 is one (1) release prior to the above-described designated or approved Software version.
NCWF	National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework
Network	Collectively, WAN, LAN, and other communication or transport networks.
Network Component Provider	The DCS Service Provider who has entered into a contract with DIR to provide Network Services.
Network Topology	The arrangement in which the nodes or interfaces to the Network are connected.
New Service Component	Any new single area that is represented with an Agreement between DIR and a Service Component Provider

Term	Definition
New Service(s)	<p>Services requested by DIR, DIR Customers, or required by applicable Laws (without limiting the obligation of the Parties under Section 15.11 of the Agreement) (i) that are materially different from the Services, (ii) that require materially different levels of effort or resources from Successful Respondent to provide the Services, and (iii) which are not required for Successful Respondent to meet the Service Levels.</p> <p>For the avoidance of doubt, New Services shall not include (a) increases in the volume of Services for which there is an associated Resource Baseline or charging methodology, or (b) the disaggregation of an existing service from a Functional Service Area.</p>
NICE	National Initiative for Cybersecurity Education
Noncompliance	Each instance that the Software, Equipment, Systems, or other Deliverable or milestone fails to meet its Acceptance Criteria or is otherwise deficient in DIR's reasonable discretion (in accordance with the Service Management Manual or other criteria agreed by the Parties, to the extent applicable).
Notice of Election	A claim that the indemnitor elects to assume control of the defense and settlement thereof.
Offshore	Refers to an operational location of Service not within one of the fifty (50) United States, or within or directly adjacent to the Continental US.
One-Time Charges	Any Charges that are specified by the Successful Respondent and which are non-recurring and are typically associated with start-up and implementation costs.
One-Time Deliverables	Those Deliverables that are non-recurring that have associated Deliverable Credits payable to DIR in the event Successful Respondent fails to successfully and timely complete such Deliverables.
Online System	Computer system that is a part of, or is embedded in, a larger entity, such as a communications system, and that interacts in real or near-real time with the entity and its users.
Onshore	Refers to an operational location of Service within one (1) of the fifty (50) United States or within or directly adjacent to the Continental US.
Onsite	Refers to physical presence at a location of Service delivery.

Term	Definition
Open Data Portal (ODP)	A centralized, secure, and scalable data sharing portal utilized by DIR Customers that provides shared governance and secure infrastructure for making their data accessible and understandable to both internal and external users.
Operating Agreement (OA)	A documented agreement between the Successful Respondent and other Service Provider documenting the joint operation, issue resolution, and governance of the delivery of the Services.
Operating Measurement (OM)	A measure to ensure visibility of progress toward business and strategic objectives as described in Exhibit 3.4 Performance Analytics .
Outage(s)	A condition such that a System, Service, Application System, Equipment, or network component is not Available or is substantially not Available and is impacting normal business operations.
Out-of-Pocket Expenses	Reasonable, demonstrable, and actual expenses due and payable to a Third Party by Successful Respondent that are approved in advance by DIR and for which Successful Respondent is entitled to be reimbursed by DIR under the Agreement. Out-of-Pocket Expenses shall not include Successful Respondent's overhead costs (or allocations thereof), general and/or administrative expenses or other markups. Out-of-Pocket Expenses shall be calculated at Successful Respondent's actual incremental expense and shall be net of all rebates and allowances.
Party(ies)	DIR and/or the Successful Respondent.
Pass-Through Expense(s)	Expenses DIR has agreed to pay directly or reimburse to Successful Respondent on an Out-of- Pocket Expenses basis.
PC	Personal Computer
PCI	Payment Card Industry
PCI DSS	Payment Card Industry Data Security Standard
Performance Category	A grouping of Critical Service Levels or Key Service Levels as set forth in Exhibit 3.1 Service Level Matrix . Critical Deliverables do not constitute a Performance Category.
PHI	Protected Health Information

Term	Definition
Physical DBA	<p>The database administrator responsible for the environmental aspects of a database, including but not limited to the following activities:</p> <ol style="list-style-type: none"> 1. Supporting the design and implementation of multiple production, test and development database subsystems, exclusive of table creation for Development and Initial Test Environments. 2. Capacity planning for database instances and reorganizing as necessary. 3. Performing stress testing and database performance tuning. 4. Installing, maintaining, and monitoring the DBMS Software and products, including technical advice and support to the ADM staffs and Logical DBAs as may be required.
PIA	Public Information Act
PII	Personally Identifiable Information
PIR	Post Implementation Review
PMO	Program Management Office
POE	Proof of Entitlement
Portal	The online Internet site providing access and links to Services and other applications
PPM	Program and Project Management
Pre-commencement	Period between the Effective Date and the Commencement Date of the Agreement.
Problem Management	The process of tracking and managing all problems arising in DIR and DIR Customer's IT environment, and resolving those problems arising from or related to the Services.
Problem(s)	An underlying cause of one (1) or more Incidents. A Problem is labeled a "Known Error" when the root cause is known and a temporary workaround or permanent solution has been identified.
Production or Production Environment	The system environment in which an organization's data processing is accomplished. This environment contains DIR Customer's business data and has the highest level of security and availability of all environments (includes training and other Production-like environments).

Term	Definition
Proposal Documents	The documents submitted by Successful Respondent to DIR in response to the Request for Offer (RFO) and any Revisions and Addenda thereto.
Public Service Catalog	An online, Internet-facing Service Catalog for use by prospective Customers
Q&A	Question and Answer
Quality Assurance (QA)	The actions, planned and performed, to provide confidence that all processes, Systems, Equipment, Software, and components that influence the quality of the Services are working as expected individually and collectively.
Rate Card	A listing of hourly personnel pricing rates as documented in Exhibit 3.1 Service Levels Matrix .
RCA	Root Cause Analysis
Recovery Point Objective (RPO)	The recovery point objectives, as designated in Exhibit 2.3 IT Service Management Continuity , expressed as the acceptable amount of data loss measured in time prior to an event that has been declared as a disaster.
Recovery Time Objective (RTO)	The recovery time objectives, as designated in Exhibit 2.3 IT Service Management Continuity , expressed as the duration of time within which an Application, including all technology components included in the DIR Customer DR Plan must be recovered, restored and operational starting from the time of declaration of a disaster.
Recurring Deliverables	Means those Deliverables to be provided on a scheduled and recurring basis that have associated Deliverable Credits payable to DIR in the event Successful Respondent fails to successfully and timely complete such Deliverables.
Report(s)	(i) Reports pertaining to the performance of the Services and Successful Respondent's other obligations under this Agreement sufficient to permit DIR to monitor and manage Successful Respondent's performance, (ii) those reports described in Exhibit 3.4-A Reports in the form and format and at the frequencies provided therein, (iii) those reports required elsewhere under the terms of this Agreement, (iv) those generated by DIR and the DIR Customers prior to the Commencement Date, and (v) such additional reports as DIR may reasonably identify from time to time to be generated and delivered by Successful Respondent on an ad hoc or periodic basis.

Term	Definition
Request for Change (RFC)	A formal proposal for a Change to be made to any component of an IT infrastructure or any aspect of an IT service. An RFC shall include details of, and the justification for, the proposed Change. DIR Customer must approve all RFCs in writing.
Request for Offer (RFO)	A formal document issues by DIR to the market or vendor community requesting an offer for goods or services. (This document.)
Request Management	The process of tracking and managing all requests from Authorized Users arising in DIR's and DIR Customers' IT environment, and resolving those requests arising from or related to the Services.
Required Consent(s)	<p>The consents (if any) required to be obtained: (i) to assign or transfer to Successful Respondent DIR licensed Third Party Materials, Third Party Contracts, Equipment Leases or Acquired Assets (including related warranties); (ii) to grant Successful Respondent the right to use and/or access the DIR licensed Third Party Materials, Third Party Contracts, and DIR Provided Equipment in connection with providing the Services; (iii) to grant DIR, the DIR Customers and/or their designee(s) the right to use and/or access the Successful Respondent Owned Materials, Third Party Materials and Equipment acquired, operated, supported, used, or required to be used by Successful Respondent in connection with providing the Services;</p> <p>(iv) to assign or transfer to DIR, the DIR Customers and/or their designee(s) any Developed Materials to the extent provided in the Agreement; (v) to assign or transfer to DIR, the DIR Customers and/or their designee(s) Successful Respondent Owned Materials, Third Party Materials, Third Party Contracts, Equipment leases or other rights following the Term to the extent provided in the Agreement; and (vi) all other consents required from third parties in connection with Successful Respondent's provision of, and DIR's and the DIR Customers' receipt and use of, the Services and Successful Respondent's performance of its obligations hereunder.</p>
Resolution (also Resolve)	The restoration of full service or the completion of the service request in a manner acceptable to DIR or the applicable Authorized User in their reasonable discretion. Resolution may include the restoration of full service by workaround or other alternative means.
Resolution Time	The number of minutes between the Start Time for an Incident and the time such Incident is Resolved.
Resolve	See "Resolution."

Term	Definition
Resource Unit (RU)	A measurable device, unit of consumption, or other unit or resource utilization associated with the Services, as described in Exhibit 4.0 Business Model to the Agreement, that is used for purposes of calculating Charges.
Respondent	Any individual, partnership, or corporation submitting a Response. Unless the Contract clearly indicates otherwise, all terms and conditions of the Contract that refer to Respondent apply with equal force to Successful Respondent.
Response	A Respondent's submission to this RFO.
Response Time	The number of elapsed minutes between the time a Call is received and the time Successful Respondent responds to the Authorized User or other designated DIR contact to acknowledge and verify the problem.
Retained Systems and Processes	Means those systems and processes of DIR or a DIR Customer for which Service Provider has not assumed responsibility under the Agreement (including those provided, managed, operated, supported and/or used on their behalf by DIR Contractors). Retained Systems and Processes include equipment and software associated with such systems and processes.
RFS	Request for Solution
ROM	Rough Order of Magnitude
Root Cause Analysis (RCA)	The formal process, specified in the Service Management Manual, to be used by Successful Respondent to diagnose the underlying cause of problems at the lowest reasonable level so that effective corrective action can be taken.
SaaS	Software as a Service
SAM	System for Award Management
Schedule	A specific named document or part of a named document that is part of the Contract package executed between two (2) parties, one (1) of which is Texas DIR and the other party is either the MSI or Service Component Provider.

Term	Definition
Scheduled Downtime	A period in which a subject Service Component is not required to be Available due to scheduled time required to perform system maintenance (for example, preventive maintenance, system upgrades, etc.), provided that such period has been mutually agreed between the Parties and is scheduled so as to minimize the impact to DIR's business. The Successful Respondent shall maintain Availability during such periods to the extent reasonably practicable.
Scheduled Event(s)	A planned activity that is to occur in the future and may impact system availability and can create a Scheduled Downtime.
Security Operations (SecOps) SCP	Security Operations (SecOps) SCP is the DCS Service Component Provider for security services. It is a DCS Shared Technology Service (STS) that will be provided by an SCP and is one (1) of several Service Components comprising the DCS Program.
Service Component	A single area which is represented with an Agreement between DIR and the Service Component Provider (e.g. Application Development, Application Maintenance, Application Rate Card Resources; Security Monitoring & Device Management, Incident Response, Risk & Compliance, Server, Network, Data Center, Mainframe, Print-Mail, Payment Services, and Texas.gov Services).
Service Component Provider (SCP)	Collectively, all Service Providers, excluding the MSI, who have entered into an agreement with DIR to provide the Services required by one or more Service Component Statement(s) of Work.
Service Continuity Management	The activities associated with providing prioritized service continuity and disaster recovery Services for the Applications, and their associated infrastructure.
Service Delivery Failure	When three (3) Service Level Defaults for the same Critical Service Level occur in any six (6) month period, the third occurrence is considered a Service Delivery Failure.
Service Desk	The facilities, associated technologies, and fully trained staff who respond to Calls, facilitate all Incident Management, Problem Management, Change and Request Management activities, and act as a single point of contact for coordination and communication to Authorized Users and Service Providers in regard to the Services.
Service Desk User	An Authorized User
Service Level Credit	The monetary amounts that the Service Provider shall be obligated to pay to DIR (or apply against Monthly Charges) in the event of Service Level Defaults.

Term	Definition
Service Level Credit Allocation Percentage	Means the percentage of the Allocation of Pool Percentage allocated to a Critical Service Level within a Performance Category.
Service Level Default	<p>A Service Level Default occurs when:</p> <ol style="list-style-type: none"> 1. Performance for a particular Critical Service Level fails to meet the applicable Minimum Service Level, or 2. Performance for a particular Critical Service Level fails to meet the applicable Expected Service Level (but does not fail to meet the applicable Minimum Service Level), and has failed to meet such Expected Service Level for four (4) or more occurrences in any rolling twelve (12) month period.
Service Level Escalation Event	Occurs when (a) the Successful Respondent asserts that it has been unable to perform all or a portion of the Services measured by a Type S or Type R Service Level solely as a result of the failure by another SCP with whom it shares such Type S or Type R Service Level to perform obligations specified in the Successful Respondent's agreement with DIR, including its SOWs and the Service Management Manual, or (b) the Successful Respondent has performed its own obligations as set forth in the Agreement, including the SOWs and Service Management Manual, which actions shall include (i) immediately notifying SCP that such failure may result in a Service Level Default, (ii) provides the SCP with reasonable opportunity to correct such failure to perform and thereby avoid the SCP non-performance, (iii) documents that it has performed its obligations under the Agreement notwithstanding another SCP's failure to perform (iv) has notified DIR that a corrective action has commenced, and (v) has otherwise performed its obligations to cause the SCP to perform.
Service Level Invoice Amount	Charges due and owing for the preceding month, including, to the extent applicable, ECA adjustments and any other amounts payable by DIR to Successful Respondent pursuant to the express terms of the Agreement (excluding HSC/SSC/Rate Card Charges, Transition/Transformation/HCS Milestone charges and Other charges as approved by DIR).
Service Level(s)	Individually and collectively, the quantitative performance standards for the Services set forth in Exhibit 3.0 Performance Model .
Service Management Manual (SMM)	The management procedures manual for Services.

Term	Definition
Service Request	A request for information, advice, access or standard change to an IT service that does not require solution proposal development. Examples of such Service Request include provisioning ID access, password resets, and Service Catalog requests.
Service Taxes	All sales, use, excise, and other similar taxes that are assessed against either Party on the provision of the Services as a whole, or on any particular Service received by DIR or the DIR Customers from Service Component Providers, excluding Income Taxes.
Service(s)	<p>Any or all of the following, as they may evolve during the Term or be supplemented, enhanced, modified or replaced, in each case in accordance with and within the scope of this Agreement:</p> <p>The services, functions and responsibilities described in this Agreement and its Exhibits and Attachments and the following:</p> <ol style="list-style-type: none"> 1. the Transition Services, as further described in Section 4.2 and the approved Transition Plan as described in Exhibit 3.3 Critical Deliverables; 2. the services, functions and responsibilities described in Exhibit 1 Operating Model, Exhibit 2 Service Model; Exhibit 3.0 Performance Model, and Exhibit 4.0 Business Model; 3. any New Services, upon DIR's authorization of such New Services in accordance with the terms of this Agreement; and 4. Termination Assistance Services, as further described in MSA Section 4.3 and Exhibit 2.2 Termination Assistance Services.
Shared Services	See DIR Shared Services
SKU	Stock Keeping Unit
SLA	Service Level Agreement
SMM	Service Management Manual
Software	Means all Materials consisting of software programs and programming (and all modifications, replacements, Upgrades, enhancements, documentation, materials and media related thereto), including Antivirus Software, Application Software, Development Tools and System Software.
Solution Request or Request for Solution (RFS)	A Service Request that requires development of a proposal for DIR Customer approval to fulfill the request.
SSC	Software Services Charge(s).

Term	Definition
Standard of Due Care	Means then-current accepted industry best practices for network and data security that are employed by members of the Peer Group.
Standard Products	Standard Products are equipment and software assets which align to program criteria recommended for use within the DCS Enterprise. Under the DCS Program, Recommended Standard Products are a key factor in the program's overarching strategic direction, technical architecture, and refresh strategy.
Standard Work Hours	In any given month, one hundred and fifty (150) hours as used in the equation to determine FTP resources utilized.
Start Time	With respect to an Incident or a Call, the time when the Incident ticket is created. With respect to an Outage, the earlier of the time when the Incident is detected or should have been detected (by the applicable monitoring for the System). If more than one (1) ticket is created for the same root cause, the Start Time shall be based on the earliest of the ticket creation times.
State	The State of Texas, unless expressly stated otherwise.
State Data Center(s)	The consolidated State data centers in San Angelo, Texas, and/or Austin, Texas.
State Legislature	The governmental legislative body of the State.
Statement(s) of Work (SOW)	Exhibit 2.1 and its attachments.
Statewide Technology Centers (STC)	<p>The Shared Services DIR offers through the following government code:</p> <p>Sec. 2054.378. SCOPE OF OPERATION OF CENTERS. (a) The department may operate statewide technology centers to provide two (2) or more state agencies, on a cost-sharing basis, services relating to:</p> <ol style="list-style-type: none"> 1. information resources and information resources technology; and 2. the deployment and development of statewide applications.
STC Customer	Means the DIR Customer that purchases any of the shared services offered through DIR's Statewide Technology Centers, which include Data Center Services, Managed Applications Services and Managed Security Services.

Term	Definition
Strategic Plan(s)	The plan(s) that may be periodically developed by DIR that set forth DIR's key operational objectives and requirements and outline its strategies for achieving such objectives and requirements. DIR may revise the Strategic Plan from time to time. The Strategic Plan is likely to include both annual and multi-year strategies, objectives, and requirements.
Subcontractors	Subcontractors (of any tier) of Successful Respondent, including Affiliates of Successful Respondent performing Services under the Agreement pursuant to Section 9.11(c) of the Agreement. The initial list of Subcontractors is set forth on Exhibit 1.4 Subcontractors to the Agreement.
Successful Respondent	A Party to this Agreement.
Successful Respondent Account Manager	The Successful Respondent representative responsible for both the day-to-day relationship with DIR and the DIR Customers as well as the delivery of all Services to DIR and the DIR Customers.
Successful Respondent Laws	Any Laws and changes in Laws applicable to the providers of services similar to the Services or to the performers of activities or functions similar to any of Successful Respondent's other legal and contractual obligations hereunder.
Successful Respondent Owned Materials	(i) Materials and other intellectual property lawfully owned by it or its Affiliates prior to the Effective Date, (ii) Materials and other intellectual property acquired by Successful Respondent or its Affiliates on or after the Effective Date (including any such Materials and intellectual property purchased from DIR pursuant to this Agreement) other than Materials and other intellectual property obtained by Successful Respondent or its Affiliates from third parties specifically for or on behalf of DIR or a DIR Customer, (iii) certain Developed Materials as provided in MSA Sections 14.2(c) and 14.2(d) , and (iv) Materials and other intellectual property that are not developed by or on behalf of Successful Respondent pursuant to this Agreement or otherwise paid for by DIR or any DIR Customer under this Agreement
Successful Respondent Personnel	Those employees, representatives, contractors, subcontractors, and agents of Successful Respondent and its Subcontractors.
Successful Respondent Site(s)	A physical location belonging to the selected Successful Respondents,
Successful Respondent-Provided Software	Refers to any software product that the Service Component Provider provides in the course of delivery of Services.

Term	Definition
System(s)	An interconnected grouping of manual or electronic processes, including Equipment, Software and associated attachments, features, accessories, peripherals and cabling, and all additions, modifications, substitutions, Upgrades or enhancements to such System. Systems shall include all Systems in use or required to be used as of the Commencement Date, all additions, modifications, substitutions, Upgrades, or enhancements to such Systems and all Systems installed or developed by or for DIR, the DIR Customers or Successful Respondent during the Term.
Systems Development Life Cycle (SDLC)	A term used in system engineering, information systems and software engineering to describe a process for planning, creating, testing, and deploying an information system.
Systems Overhead	Non-billable Resource Units used by the Successful Respondent to measure and calculate DIR Customers' resource usage, to perform Successful Respondent billing functions, used for capacity planning studies or attributable to reruns that are due to the fault of Successful Respondent, and such other Successful Respondent usage set forth as such in Exhibit 4.0 Business Model to the Agreement.
TAC	Texas Administrative Code
Technical Recovery Guide (TRG)	A compilation of technical information, procedures, environmental configurations, operations and dependencies required to document each application and environment to ensure technical recovery of hardware, Operating System, storage, Network and other Equipment. Technical Recovery Guides capture operational elements, dependencies and instructions which must be re-enabled and sequenced appropriately to restore business operations. Exhibit 2.3 IT Service Management Continuity further defines the specific content which must be included in the Technical Recovery Guides.
Technical Requirement(s)	The underlying hardware and software requirements that would be required to support and run a solution.

Term	Definition
Technology Evolution	Any improvement, upgrade, addition, modification, replacement, or enhancement to the standards, policies, practices, processes, procedures, methods, controls, scripts, product information, technologies, architectures, standards, equipment, software, systems, tools, products, transport systems, interfaces and personnel skills available to provide the Services in line with the best practices of first tier leading providers of services that are the same as or similar to the Services. Technology Evolution includes, as relating to such items for such purpose: higher capacity, further scaling and commercializing of processes, more efficient and scalable processes, new versions and types of applications and systems/network software, new operational or IT Infrastructure processes, and new types of hardware and communications equipment that shall enable Successful Respondent to perform the Services more efficiently and effectively as well as enable DIR and the DIR Customers to meet and support their operational requirements and strategies.
Technology Solution Services (TSS)	A DCS Service Component that will provide advice, guidance and potentially implementation assistance to enable DIR and DCS Customers to leverage the full capability of offerings available via the Next Generation DCS, while incorporating a consistent set of modern application development and deployment practices that are commonly associated with cloud deployment and Agile development methods. Also a procurement and service delivery mechanism offered by DIR for DIR customers to obtain governed application services, for Application Development, Application Maintenance, and Application Rate Card Resources.
Term	The Initial Term and the Renewal Terms, if any, including any period during which Termination Assistance Services are provided by Successful Respondent under the Agreement.
Termination Assistance Services	(i) The Services (including the terminated, insourced, resourced, or expired Services, the Services described in Section 4.4 of the Agreement, the Services described in Exhibit 2.2 Termination Assistance Services and, in each case, any replacements thereof or supplements thereto), to the extent DIR requests such Services during a Termination Assistance Services period; (ii) Successful Respondent's cooperation with DIR, DIR Customers and their designee(s) in the orderly transfer of the Services (or replacement or supplemental services) to DIR, the DIR Customers and/or their designee(s); and (iii) any New Services requested by DIR in order to facilitate the transfer of the Services (or replacement or supplemental services) to DIR, the DIR Customers and/or their designee(s).
Termination Charge	The termination charges payable by DIR as set forth in the MSA

Term	Definition
Termination Services	The activities the current Successful Respondent undertakes to disentangle or either move or enable the move of Services to DCS Customer or a new Successful Respondent.
Texas Project Delivery Framework	The standardized framework identified by DIR for state and other government agencies to use to deliver projects.
Third Party Contract(s)	All agreements between Third Parties and DIR, any DIR Customer, or Successful Respondent that have been or shall be used to provide the Services.
Third Party Materials	Materials that are owned by Third Parties and provided under license or lease to Successful Respondent, DIR or any DIR Customer and that have been or shall be used to provide or receive the Services. Third Party Materials shall include Materials owned by Subcontractors (excluding Affiliates of Successful Respondent) and used in the performance of the Services.
Third Party Vendor(s)	A Third Party that provides products or services to any Party that is related to, or is in support of, the Services (e.g., hardware vendors, premier support contracts, etc.). Third Party Vendors do not include Subcontractors.
Third Party(ies)	A legal entity, company, or person(s) that is not a Party to the Agreement, and is not an Affiliate of a Party.
Tier (includes 1, 2, 3, and 4)	Classification denoting support level
Traceability Matrix	A mechanism that allows the follow-up of requirements through the entire SDLC process to ensure a requirement is addressed in all phases and applicable test cases corresponding to requirements can be identified.
Transition	Transition Services required, including deliverables described in the Transition Plan, as further described in MSA Section 4.3 and
Transport	A commercial service providing the carriage or transmission of voice, video, or data electronic impulses over a distance.
TRG	Technical Recovery Guide
Unanticipated Change	A material change in the technologies and/or processes available to provide all or any portion of the Services which is outside the normal evolution of technology experienced by the Services, that was not generally available as of the Effective Date and that would materially reduce Successful Respondent's cost of providing the Services.

Term	Definition
Unit Testing	A Software verification and validation method where the programmer gains confidence that individual units of source code are fit for use. A unit is the smallest testable part of an application.
Upgrade(s)	Updates, patch installations, modifications, renovations, refreshes, enhancements, additions, substitutions and/or new versions or releases of Software or Equipment. For purposes hereof, a workaround or fix to Software or Equipment also constitutes an Upgrade.
Use	To load, access, execute, use, manipulate, practice, process, make, have made, operate, copy, execute, compile, store, purge, reproduce, display, perform, distribute, transmit, receive, modify, maintain, enhance, upgrade, store, create Derivative Works, and exercise any other similar rights.
User Acceptance Test(ing) (UAT)	Testing conducted by the end user using either production or production-like data to validate end-to-end business processes and compare actual and expected results. This is a formal testing step with new Applications or major changes to existing Application, and a successful execution and result leads to the user accepting the system.
Utility Server(s)	The following types of Servers: Email, Enterprise SMTP Relay, File and Print, Enterprise Gateway, Presentation/Terminal, and Identity Management Solutions.
Versioned	Changes are rolled out in distinct releases, the version of the release is maintained in the artifacts being rolled out for compatibility, prior versions are phased out over time through a standard process and all changes are documented.
VM	Virtual Machine
WAN	Wide Area Network
Warranty Services	Any activities necessary to repair Problems to enable Applications and Enhancements to perform in accordance with the applicable Documentation or other specifications.
WCAG	Web Content Accessibility Guidelines

Term	Definition
Wide Area Network (WAN)	A long-haul, high-speed, backbone transmission Network, consisting of WAN Equipment, Software, Transport Systems, Interconnect Devices, and Cabling that, and other services as they become available that are used to create, connect, and transmit data, voice and video signals to within, between or among: (i) LANs, and (ii) other locations that do business with the State and for which DIR is responsible for allowing Connectivity.
Work Order (also Project Work Order)	A document prepared by the Successful Respondent in response to a Project Request, containing the following information: (i) a detailed description of the scope of work to be performed by Successful Respondent to complete and implement the Project, including any required Deliverables; (ii) any specific performance standards that will apply to the completion and implementation of such Project, including Successful Respondent's agreement to meet applicable Service Levels; (iii) an anticipated schedule for completing and implementing the Project and any related Deliverables, including Milestones and credits for failing to achieve Acceptance of Milestones and Deliverables; (iv) a description of the Successful Respondent positions that will be assigned to each activity specified in the Project Work Order, including the location of Successful Respondent Personnel assigned to such positions (i.e., onsite, offsite, onshore, offshore) and sufficient detail to allow DIR to audit the assignment and billings related to such Successful Respondent Personnel; (v) a description of the Acceptance Criteria and Acceptance Testing procedures to be used by DIR in connection with any Acceptance Testing of such Project and any related Deliverables and Milestones; (vi) the estimated number of personnel hours needed to complete the Project; (vii) one (1) or more fee quotes, based on the following pricing mechanisms: (a) the applicable hourly rate, in accordance with the Rate Card, (b) if the Project consists of multiple units of work for which there are pre-defined one-time Charges, the number of pre-defined work units multiplied by the applicable pre-defined one-time Charge, or (c) if requested by DIR, a fixed fee or other pricing mechanism.
Work Product	Means (i) all reports and manuals, including transition plans, business requirements documents, design documents, manuals, training and knowledge transfer materials and documentation, (ii) the Service Management Manual, (iii) Desktop Procedures, and (iv) any intellectual property created as a result of this Agreement to express, embody or execute or perform a function, method or process that is specific to the business of DIR or DIR Customers.